



3 Seriously Undervalued Top TSX Stocks to Buy Right Now

Description

With the pandemic (hopefully) coming to a close, many stocks have seen momentum in recent months. However, volatility has begun to pick up in certain sectors of the market today. Accordingly, investors may be less inclined to jump into stocks with sky-high valuations today.

But not to worry. The TSX happens to have some great [undervalued](#) companies to choose from. Here are three such stocks which top my list right now.

Kirkland Lake Gold

One of the best gold miners in business, **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) is [grossly undervalued](#). Indeed, this company's current valuation multiple of less than 16 times earnings is dirt cheap. For gold miners, Kirkland Lake's operations and earnings quality are among the best. These have provided long-term investors with impressive cash flow growth of late.

Yes, gold is trading at higher prices of late. However, for those who believe inflation concerns are perhaps more insidious than central banks would like us to believe, gold is a great place to invest right now. Indeed, precious metals provide nice portfolio diversification and act as a hedge to such forces. These factors combined make Kirkland Lake a top pick right now.

Alimentation Couche-Tard

Being one of the best consolidators in the convenience store and gas station market, **Alimentation Couche-Tard** (TSX:ATD.B) continues to remain on my list of top picks. The company has a robust and successful growth-by-acquisition strategy. And the company has continued to maximize shareholder value over the long term in a way few Canadian companies have.

That said, the company's recent failed bid for French grocer Carrefour has not gone over well with the market. This deal was either too large, or too ill-priced, for investors at the time. I, however, think this sort of transformative deal could have been good for investors.

But that's neither here nor there.

Couche-Tard's growth prospects remain strong and should improve over time, as the company increases its deal flow. Until then, investors are able to pick up this stock at around 15 times earnings. Like Kirkland Lake, I see this valuation multiple as far too cheap for the upside this stock provides.

Equinox Gold

Staying on the gold train for a minute, **Equinox Gold** ([TSX:EQX](#)) is another gold miner I am very bullish on right now.

For many of the same reasons as Kirkland Lake, Equinox is a high-quality gold miner trading at a discount. Given where gold prices are, and where they're likely heading, I see much more cash flow growth on the horizon for this mid-cap player.

Equinox's value is in its growth potential. The company has recently made a string of acquisitions that has resulted in higher gold production targets. This is a company that's looking to approximately double its output in the next few years. Indeed, this sort of setup is about as bullish as investors could want in the value space. This is a stock I don't see as trading this cheap for much longer. Accordingly, investors would do well to consider Equinox at these levels.

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1. Investing
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TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)
2. TSX:EQX (Equinox Gold Corp.)

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